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ITEM NO. 4  
BILL 52 (2017)

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Mr. Ron Menor  
Chair, Committee on the Budget  
The City Council  
City and County of Honolulu  
<http://www.honolulu.gov/ccl-testimony-form.html>

**Re: Council Bill 52 (2017) Amending the exemption for  
the historic residential real property dedicated for  
preservation.**



Dear Chair Menor and City Council Members:

My wife Nadine and I are historic home owners in Manoa Valley and are dedicated to preserving our state's historic architecture. We have lived in our house since 1991, and placed it on the register shortly after purchasing it and after making major repairs to the roof, siding, utilities, and interior. We have provided our home for community tours of historic houses on two occasions and welcome it to be used in the future for such educational events. In 1995 we assisted our community in planning workshops to prepare and present areas of Manoa Valley to the Department of Land Utilization (DLU) for consideration as a special design district with regard to its historic properties. Unfortunately, that effort was not fruitful which gives more importance to retaining the current tax provision.

We believe that the current tax exemption is fair to both home owner and tax payers and encourages education and preservation of the State's housing stock. In addition to general maintenance costs, we spend additional monies each year to make historic repairs to the structure. This continual upkeep entails purchase of materials and skilled labor that is not typically found in the marketplace in order to maintain the historic character and actual makeup of the structure. Our expenses easily total the amount of tax we would be paying if our house was not on the State register of historic properties.

The current tax exemptions for the 266 historic residences throughout Oahu is cost effective since private citizens help preserve and maintain the historic buildings and neighborhood character and monetary value for the revenue exemption. This figure represents less than 1% of the value of the City's combined property tax exemptions and about 0.02% of the City's annual operating budget. The City would be unable to provide the same benefits to the community on its own.

We strongly encourage the council to carefully consider and celebrate the value added by this private/public partnership and vote to maintain the current tax exemption on Oahu's historic registered residences.

Aloha and thank you for your consideration,



Joe Ferraro, FAIA